

Springerville Town Council
Minutes
March 19, 2008

Council: Kay Dyson Mayor, Mary Nedrow Vice Mayor, Eric Baca, Pete Hunt and Phelps Wilkins.

Staff: Steve West Interim Manager, Val Cordova Town Clerk, Larisa Bogardus, Sheila Dulhanty, Tom Malone, and Emilio Orona.

Public: Steve Gatewood, Jim Tuvell and Herb Hooper, Eagar Renewable Energy, Kevin Burk, Dave & Amy Pulsifer, Susan Silva, Ron Cavanaugh, Phil Hanson, Belinda Coffelt, Dave Williamson, and Phil Hanson with SMACC.

1. The meeting was called to order by Mayor Dyson at 6:10p.m.

2. The Pledge of Allegiance and Invocation by Mayor Dyson.

3. Public Participation:

Phil Hanson with the Springerville Municipal Airport Committee read a letter to the council formally commending them resuming responsibility and Stewardship of the Springerville Municipal Airport. The letter acknowledged the work both Emilio Orona and Sheila Dulhanty have done for the airport.

4. Manager, Council, and Chamber Reports: None

5. Consent Agenda:

- a. Consider approval of the March 5, 2008 town council meeting minutes.
- b. Consider ratification of the February 2008 accounts payable.

Mary Nedrow/Pete Hunt motion to approve the consent agenda items 5a – 5b.

Vote:	Ayes:	Kay Dyson
		Mary Nedrow
		Pete Hunt
		Eric Baca
		Phelps Wilkins

Old Business:

6. Water/Wastewater Rates Plan: Discussion and action regarding alternative water rate increase proposals.

Mayor Dyson explained that the town hired a consultant to do a rate study and review of our water/wastewater rates that was reviewed previously at a public hearing and two other council meetings. The council is considering increasing rates due to inflation, costs of doing business and the need for a capital improvement plan to repair our forty year old infrastructure. Finding of the consultant revealed that the town is currently significantly below state averages, funds are not self-sufficient and are subsidized from our general fund. The town will require over two million dollars in capital repairs over the next decade. They need to adjust the rates to fund increases in operating costs, to eliminate the general fund subsidy, fund capital improvements required to repair and maintain the system and to reimburse the general fund for monies loaned to the water and wastewater fund. She noted that the average rate increase across the United States is an average of 6% per year. She said she would begin at the top with alternative four and have discussion.

Kay Dyson/Phelps Wilkins motion to approve alternative four.

Councilman Hunt said he was concerned with the burden that alternative four would have on residents with fixed incomes and stated he could not support it.

There were no other comments, Mayor Dyson called for a motion.

Vote: Ayes: Phelps Wilkins

 Nays: Kay Dyson
 Mary Nedrow
 Eric Baca
 Pete Hunt

The motion died:

Kay Dyson/Mary Nedrow motion to approve alternative 3 as the rate plan.

Councilman Wilkins said he voted for alternative 4 but would support number 3 for the same reasons stated by Councilman Hunt but he would like to raise rates enough to be confident and maintain quality government.

Councilman Baca said we need to progress because we are just surviving and he would like to see the town get what it needs. Although he felt Alternative 3 was still a little high he would support it.

Vice Mayor Nedrow stated she wants to review the rate plan every two years and was advised that the rate plan could be reviewed as often as the council would like to review it.

Mayor Dyson said she would support alternative 3 because it will fund the operating costs, eliminate the subsidy and begin a capital improvement plan. She called for a vote of the motion.

Vote: Ayes: Kay Dyson
 Mary Nedrow
 Eric Baca
 Phelps Wilkins

 Nays: Pete Hunt

The motion carried.

7. Resolution 2008-R003: Discussion and action regarding resolution 2008-R005 adopting a tiered water and wastewater rate structure for the next five years.

Ms. Bogardus explained that this resolution is not enacting increases but it is adopting alternative 4 as the five year tier. She recommended tabling resolution R004 adopting the fee schedule as it is based on alternative four.

Legal Counsel directed the council to read the resolution in its entirety and substitute alternative three instead of four. Mayor Dyson so read the resolution substituting alternative 3 in place of alternative four.

Vice Mayor Nedrow stated her concern with adopting this plan with a five year tier. She was advised that it was council policy to review this annually. It does not preclude the council from reviewing this every six months if that's what they want.

Eric Baca/Phelps Wilkins motion to adopt resolution 2008-R003 as read by Mayor Dyson.

Vote: Ayes: Kay Dyson
 Mary Nedrow
 Eric Baca
 Phelps Wilkins

 Nays: Pete Hunt

The motion carried.

8. Resolution 2008-R004: Discussion and action regarding resolution 2008-R004 amending the Town fee schedule to increase rates for water and wastewater service.

Kay Dyson/Mary Nedrow motion to table resolution 2008-R004.

Vote:	Ayes:	Kay Dyson
		Mary Nedrow
		Pete Hunt
		Eric Baca
		Phelps Wilkins

9. Resolution 2008-005: Discussion and action regarding resolution 2008-R005 declaring as a public record that certain document filed with the Town Clerk and entitled "The 2008 Amendments to the Tax Code of the Town of Springerville.

Pete Hunt/Eric Baca motion to approve resolution 2008-R003 declaring as a public record that certain document filed with the Town Clerk and entitled "The 2008 Amendments to the Tax Code of the Town of Springerville".

Vote:	Ayes:	Kay Dyson
		Mary Nedrow
		Pete Hunt
		Eric Baca
		Phelps Wilkins

10. Tax Code Amendments: Discussion and action regarding a first reading of ordinance 2008-004 adopting the 2008 Tax Code Amendments for the Town of Springerville.

First reading of ordinance 2008-004 by Mayor Dyson, "An Ordinance of the Town of Springerville, Arizona, relating to the Privilege License Tax; adopting "The 2008 Amendments to the Tax Code of the Town of Springerville" by reference; establishing an effective date, providing for severability and providing penalties for violations.

11. Resolution 2008-R006: Discussion and action regarding adopting the results of the primary election held on March 11, 2008.

Phelps Wilkins/Mary Nedrow motion to approve resolution 2008-R006 adopting the results of the primary election held on March 11, 2008.

Vote:	Ayes:	Kay Dyson
		Mary Nedrow
		Pete Hunt
		Eric Baca
		Phelps Wilkins

12. Little Colorado River Plateau RC&D: Discussion and action regarding LCRP RC&D 2008 annual dues.

Mayor Dyson explained that this item had not been budgeted in the new budget and needed council approval for payment. Mr. West assured the council there was money in their budget for this item.

Kay Dyson/Eric Baca motion to approve payment of \$400 to the Little Colorado River RC&D.

Vote:	Ayes:	Kay Dyson
		Mary Nedrow
		Pete Hunt
		Eric Baca
		Phelps Wilkins

13. Little Colorado River RC&D: Presentation by Herb Hopper regarding the "Eagar Renewable Energy Plant".

A Power Point presentation was given by Herb Hopper, Jim Tuvell and Steve Gatewood, regarding the biomass conversion facility that is going to be constructed in Eagar. This included promotion of healthy forests and utilizing the forest greenwaste to generate syn-fuels and electricity at the plant. (Power Point Presentation attached)

14. Executive Session:

Pete Hunt/Mary Nedrow motion to adjourn into executive session at 7:54 p.m.

Vote:	Ayes:	Kay Dyson
		Mary Nedrow
		Pete Hunt
		Eric Baca
		Phelps Wilkins

Phelps Wilkins/Pete Hunt motion to reconvene the regular meeting at 8:50p.m.

Vote:	Ayes:	Kay Dyson
		Mary Nedrow
		Pete Hunt
		Eric Baca
		Phelps Wilkins

Mayor Dyson reported there is no discussion.

15. Adjournment:

Pete Hunt/Phelps Wilkins motion to adjourn the meeting at 8:50p.m.

Vote:	Ayes:	Kay Dyson
		Mary Nedrow
		Pete Hunt
		Eric Baca
		Phelps Wilkins

Kay Dyson, Mayor

ATTEST:

Town Clerk

I hereby certify that the foregoing is a true and correct copy of the minutes of the Springerville Town Council in regular session on Wednesday, March 19, 2008. I further certify that the meeting was duly called and a quorum was present.

Dated this 25th day of March 2008

Town Clerk